

EXCEPTION REPORT #4

During Provisioning Verification of xDSL loops, KPMG observed that Verizon failed to meet a number of Local Service Confirmation (LSC) dates that Verizon provided to CLECs.

Issue

KPMG Consulting observed several Verizon DSL loop installations. Four instances were noted where Verizon provided the CLEC with a commitment date that was not met. The missed appointment metric states that 95% of orders must be provisioned on the agreed upon due date; this metric is not being met. CLEC's inform their subscriber that the ILEC will require access to the Network Interface Device (NID), one day prior to the commitment date. CLEC's also schedule a premise visit to the subscriber for installation and turn up of xDSL service on the commitment date. These missed commitments required the CLEC to notify their subscriber that xDSL service activation would be delayed.

The following table identifies CLEC xDSL the orders where Verizon did not meet the LSC date.

Item	Observation date	Circuit ID	LSC Date	Actual Completion Date	Comments
1	10/4/00	NTH23861	10/4/00		Failed to meet LSC date. Defective F1
2	10/5/00	NTR6219	10/3/00	10/5/00	Failed to meet LSC date. Defective F2
3	10/25/00	DYVU708932	10/18/00		Failed to meet LSC date Open in CO MLAC procedural issue.
4	10/25/00	ARDU735666	10/24/00		Failed to meet LSC date Load Coils observed on line from tagged NID.

Assessment

Verizon's inability to meet their commitment to the CLEC for provisioning xDSL orders results in several detrimental effects including delay in the subscriber's new service and rescheduling installation appointments to the subscriber's premises. The end result is that the customer/supplier relationship between the new subscriber and the CLEC is damaged.

This observation report is for discussion purposes only and is subject to change without notice.